

## COUNTY TREASURER AND COUNTY AUDITOR EXCISE TAX RECONCILIATION AT SETTLEMENT

Enter amounts as positive amounts.

COUNTY

SETTLEMENT

<b>1.) COUNTY TREASURER CERTIFIED EXCISE TAX</b>	<b>4,489,301.83</b>
(License Excise Tax Collected Line of the 49TC and should also be the Total Excise Tax on Cashbook at Settlement Certification)	
<b>2.) PLUS: EXCISE TAX ADVANCE TOTAL</b>	<b>0.00</b>
(See Note at the bottom of this worksheet) (The Excise Tax Certified and the amount on the Cashbook should have been reduced by the Excise Tax Advances)	
<b>3.) MINUS: EXCISE TAX TO BE DISTRIBUTED AT SETTLEMENT</b>	<b>2,989,836.27</b>
(Column 12 of the 49TC)	
<b>4.) MINUS: EXCISE TAX TO BE DISTRIBUTED TO COUNTY GENERAL FUND FOR REIMBURSEMENT OF WATERCRAFT OR BOAT EXCISE TAX REFUNDS</b>	<b>0.00</b>
(See Note at the bottom of this worksheet)	
<b>5.) MINUS: WELFARE &amp; SCHOOL EXCISE TAX ALLOCATIONS</b>	<b>1,354,342.54</b>
(Enter the amount from the excise tax allocation worksheet)	
<b>6.) EQUALS TREASURER AND AUDITOR EXCISE TAX DIFFERENCE</b>	<b>145,123.02</b>
<b>7.) PLUS: AUDITOR OF STATE EXCISE TAX CUT REPLACEMENT DISTRIBUTION INCLUDED BY COUNTY AUDITOR IN EXCISE TAX, BUT NOT RECEIVED BY COUNTY TREASURER BY TREASURER CERTIFICATION DATE AND NOT INCLUDED IN TREASURER'S CERTIFIED AMOUNT</b>	<b>0.00</b>
(See Note at the bottom of this worksheet)	
<b>8.) MINUS: EXCISE TAX RECEIVED AFTER THE AUDITOR CUT-OFF DATE</b>	<b>145,123.02</b>
(See Note at the bottom of this worksheet) (This is the excise tax received by the treasurer after the auditor's cut-off date and included in the treasurer's certification, but not included in the auditor's excise tax)	
<b>9.) PLUS: EXCISE TAX INCLUDED BY COUNTY AUDITOR IN EXCISE TAX AND IS EXCISE TAX RECEIVED WITHIN THE COUNTY AUDITOR'S EXCISE TAX CUT-OFF DATE, BUT NOT YET POSTED TO THE COUNTY TREASURER'S CASH BOOK AND NOT INCLUDED IN THE TREASURER'S CERTIFIED AMOUNT</b>	<b>0.00</b>
(See Note at the bottom of this worksheet)	
<b>10.) EQUALS: RECONCILED DIFFERENCE</b>	<b>0.00</b>
(Reconciled difference amount should be zero, if not zero, then the difference should be resolved before the Settlement is continued. If the difference is not resolved at the current Settlement, then it must be resolved by the next settlement. If not resolved by the next settlement, then the difference must be distributed at the next settlement using the auditor of state's undistributed excise tax instructions. Also, procedures must be put in place to prevent future differences.)	

Note - There may not be amounts on the lines where the message "See Note at the bottom of this worksheet" appears.

**COUNTY TREASURER AND COUNTY AUDITOR EXCISE TAX RECONCILIATION AT SETTLEMENT**  
**Line Descriptions**

**1.) COUNTY TREASURER CERTIFIED EXCISE TAX**

The amount entered on this line is the amount certified by the county treasurer on the License Excise Tax Collected line in Column 6 of the Treasurer's Certification of Tax Collections Form 49TC. The excise tax certified on the Form 49TC must be the total of all excise tax types shown in the Other Sources Section of the treasurer's cash book as of the date of the treasurer's certification. The total excise tax types may include vehicle excise tax, auto excise tax, boat excise tax, watercraft excise tax, aircraft excise tax, auto rental excise tax, excise tax replacement and/or lottery credit. No county will have all of these excise tax types because in my description of excise tax types I have included all of the different labels I have heard county auditors and county treasurers give to the types of excise tax. The total excise tax certified by the county treasurer does not include excise surtax and wheel tax. In other words the excise tax certified on the Form 49TC by the county treasurer and shown on the excise tax reconciliation must not include excise surtax and wheel tax.

**2.) PLUS: EXCISE TAX ADVANCE TOTAL**

The amount entered on this line is the excise tax amount advanced to taxing units since the last settlement. Each time excise tax was advanced a quietus should have been prepared and posted to the treasurer's cash book and the auditor's funds ledger. On the treasurer's cash book the quietus should have reduced the excise tax in the Other Sources Section of the cash book and increased the funds ledger amount in the Funds Ledger Section of the cash book. The excise tax certified by the treasurer is the excise tax shown in the Other Sources Section of the cash book as of the certification date and this amount of excise tax has been reduced by the amount of the excise tax advances, but the excise tax included in the settlement by the county auditor is not reduced by the excise tax advances and this is the reason the excise tax advance amount is a treasurer and auditor excise tax reconciliation item.

Not all counties will have an amount on this line.

**3.) MINUS: EXCISE TAX TO BE DISTRIBUTED AT SETTLEMENT**

The amount entered on this line is the total of Column 12 of the Form 49TC.

The excise tax to be distributed is the excise tax determined by the county auditor as of the county auditor's cut off date minus the excise tax allocation amounts and minus the amount, if any, deducted for watercraft or boat excise tax refunds. The county auditor's excise tax cut off date is the as of date chosen by the county auditor to include excise tax in the settlement. Normally the June Settlement excise tax cut off date is the end of April and the December Settlement excise tax cut off date is the end of October. The excise tax cut off date can be another date as long as it is reasonable and is consistent from year to year.

**The amount entered on this line must be entered as a positive amount.**

**4.) MINUS: EXCISE TAX TO BE DISTRIBUTED TO COUNTY GENERAL FUND FOR REIMBURSEMENT OF WATERCRAFT OR BOAT EXCISE TAX REFUNDS**

The amount entered on this line is the amount deducted from excise tax for reimbursements of watercraft or boat excise tax refunds paid from the county general fund. If a refund of watercraft or boat excise tax is paid by the county, then the county should be reimbursed from excise tax at the next settlement. The reimbursement is accomplished by deducting the refund amount from the applicable taxing district excise tax amount. This deduction is to occur before the calculation of the excise tax allocation amounts. A quietus to the general fund equal to the refund deduction amount is prepared at the time settlement quietus are prepared. At the time settlement quietus are posted to the cash book the excise refund quietus is posted against the excise tax in the Other Sources Section of the cash book and reduces the excise tax in the Other Sources Section of the cash book. The quietus is also posted to the Funds Ledger Section of the cash book and increases the Funds Ledger Section of the cash book.

Not all counties will have an amount on this line.

**The amount entered on this line must be entered as a positive amount.**

**COUNTY TREASURER AND COUNTY AUDITOR EXCISE TAX RECONCILIATION AT SETTLEMENT**  
**Line Descriptions**

**5.) MINUS: WELFARE & SCHOOL EXCISE TAX ALLOCATIONS**

The amount entered on this line is the Remittance to State amount from the Excise Tax Allocation Worksheet.

The amount entered on this line must be entered as a positive amount.

**6.) EQUALS TREASURER AND AUDITOR EXCISE TAX DIFFERENCE**

The amount on this line is calculated by the worksheet. The calculation is Line 1 plus Line 2 minus Lines 3, 4 and 5. If this reconciliation worksheet is completed correctly, then Line 6 should rarely equal zero because there is almost always a timing difference between the excise tax certified by the county treasurer and the excise tax included in the settlement by the county auditor. A difference amount on Line 6 is acceptable, but Lines 7 through 9 should account for the difference and Line 10 should equal zero.

**7.) PLUS: AUDITOR OF STATE EXCISE TAX CUT REPLACEMENT DISTRIBUTION INCLUDED BY COUNTY AUDITOR IN EXCISE TAX, BUT NOT RECEIVED BY COUNTY TREASURER BY TREASURER CERTIFICATION DATE AND NOT INCLUDED IN TREASURER'S CERTIFIED AMOUNT**

If the county auditor's June Settlement excise tax cut off date is the end of April and the county auditor included in the June Settlement excise tax the auditor of state excise tax cut replacement distribution sent in May for the April excise tax cut and the county treasurer did not include in the excise tax certification the excise tax cut replacement distribution sent in May for the April excise tax cut, then the May excise tax cut replacement distribution for the April excise tax cut is the amount shown on this line.

If the county auditor's December Settlement excise tax cut off date is the end of October and the county auditor included in the December Settlement excise tax the auditor of state excise tax cut replacement distribution sent in November for the October excise tax cut and the county treasurer did not include in the excise tax certification the excise tax cut replacement distribution sent in November for the October excise tax cut, then the November excise tax cut replacement distribution for the October excise tax cut is the amount shown on this line.

Not all counties will have an amount on this line.

**8.) MINUS: EXCISE TAX RECEIVED AFTER THE AUDITOR CUT-OFF DATE**

The amount entered on this line is the excise tax received by the treasurer after the county auditor's cut off date and is not included in the settlement by the county auditor, but is posted to the treasurer's cash book and included in the treasurer's certified excise tax amount.

For example, if the county auditor's June Settlement excise tax cut off date is the end of April and the treasurer receives deposits of May excise tax that are posted to the cash book and included in the certified excise tax amount, then the May deposits are shown on this line.

**Line 8 Continued**

If the county auditor's December Settlement excise tax cut off date is the end of October and the treasurer receives deposits of November excise tax that are posted to the cash book and included in the certified excise tax amount, then the November deposits are shown on this line.

The above scenarios typically occur when the treasurer's practice is to post branch excise to the cash book at the same time the BMV reports the branch deposits to the treasurer.

The amount entered on this line must be entered as a positive amount.

Not all counties will have an amount on this line.

## COUNTY TREASURER AND COUNTY AUDITOR EXCISE TAX RECONCILIATION AT SETTLEMENT

### Line Descriptions

#### **9.) PLUS: EXCISE TAX INCLUDED BY COUNTY AUDITOR IN EXCISE TAX AND IS EXCISE TAX RECEIVED WITHIN THE COUNTY AUDITOR'S EXCISE TAX CUT-OFF DATE, BUT NOT YET POSTED TO THE COUNTY TREASURER'S CASH BOOK AND NOT INCLUDED IN THE TREASURER'S CERTIFIED AMOUNT**

The amount entered on this line is the excise tax received by the treasurer by the county auditor's cut off date and is included in the settlement by the county auditor, but is not posted to the treasurer's cash book and is not included in the treasurer's certified excise tax amount.

For example, if the county auditor's June Settlement excise tax cut off date is the end of April and not all of the deposits of April excise tax are posted to the cash book and included in the certified excise tax amount, then the unposted and uncertified April excise tax amounts are shown on this line. This situation typically occurs when the treasurer only post branch excise tax to the cash book when the branch bank statement is received and the April bank statement received in May and posted in May did not included all of the April excise tax amounts.

#### **Line 9 Continued**

If the county auditor's December Settlement excise tax cut off date is the end of October and not all of the deposits of October excise tax are posted to the cash book and included in the certified excise tax amount, then the unposted and uncertified October excise tax amounts are shown on this line. This situation typically occurs when the treasurer only post branch excise tax to the cash book when the branch bank statement is received and the October bank statement received in November and posted in November did not included all of the October excise tax amounts.

Not all counties will have an amount on this line.

It would be very, very rare to have an amount on Line 8 and an amount on Line 9.

#### **Line 10 Continued**

#### **10.) EQUALS: RECONCILED DIFFERENCE**

The amount on this line is calculated by the worksheet. The calculation is Line 6 plus Line 7 and 9 minus Line 8. If this reconciliation worksheet is completed correctly and the treasurer and auditor excise tax accounting are in balance, then this line will equal zero.

If Line 10 does not equal zero, then first exam for accuracy the amounts entered to the reconciliation worksheet. If it is determined the amounts entered on the lines are correct, then the treasurer and auditor must work together to determine the reason for the difference. if the reason can not be determined at the current settlement, then the reason must be determined by the next settlement. If the reason is not determined by the next settlement, then the unidentified difference must be allocated and distributed at that next settlement. The auditor of state's office has instructions on how to allocate and distribute an identified difference at a settlement.

Just because Line 10 equals zero does not always indicate that the treasurer's and auditor's excise tax accounting is in balance because there may unreasonable amounts entered on one or more lines of the reconciliation worksheet resulting in a zero dollar amount on Line 10. The auditor of state's office reserves the right to reject the reconciliation worksheet on the basis that unreasonable amounts exist on one or more lines of the reconciliation worksheet.